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H **D**

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Short Title: Disaster Recovery Act of 2025 - Part I. (Public)

Sponsors:

Referred to:

February 5, 2025

A BILL TO BE ENTITLED

AN ACT TO PROVIDE ADDITIONAL APPROPRIATIONS AND EXTEND REGULATORY FLEXIBILITY FOR COMMUNITIES AND CITIZENS IMPACTED BY HURRICANE HELENE.

The General Assembly of North Carolina enacts:

PART I. TITLE AND SCOPE OF ACT

SECTION 1.1. Title. – This act shall be known as "The Disaster Recovery Act of 2025 – Part I."

SECTION 1.2. Maximum Amounts; Effectuate Savings. – The appropriations and allocations made in this act are for maximum amounts necessary to implement this act. Savings shall be effected where the total amounts appropriated or allocated are not required to implement this act.

SECTION 1.3. Scope. – Unless otherwise provided, Part II of this act applies to the North Carolina counties in the affected area, as defined in Section 1.4 of this act.

SECTION 1.4. Definitions. – Unless otherwise provided, the following definitions apply in this act:

(1) Affected area. – The counties designated before, on, or after the effective date of this act under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Helene.
(2) CDBG-DR. – Community Development Block Grant – Disaster Recovery.
(3) Disaster Relief Reserve. – The OSBM Disaster Relief Reserve (Budget Code 23009).
(4) FEMA. – The Federal Emergency Management Agency.
(5) Helene Fund. – The Hurricane Helene Disaster Recovery Fund established in Section 4.1 of S.L. 2024-51.
(6) NCEM. – The Division of Emergency Management of the Department of Public Safety.
(7) NCORR. – The Department of Public Safety, Office of Recovery and Resiliency.
(8) OSBM. – The Office of State Budget and Management.

(9) SERDRF. – The State Emergency Response and Disaster Relief Fund established in G.S. 166A-19.42.

PART II. HURRICANE HELENE DISASTER RECOVERY APPROPRIATIONS AND PROGRAMS

SUBPART II-A. DISASTER RECOVERY APPROPRIATION, TRANSFER, AND PROGRAMS

SECTION 2A.1. Transfer. – The State Controller shall transfer the sum of two hundred ninety-nine million dollars ($299,000,000) from the SERDRF to the Helene Fund.

SECTION 2A.2. Appropriation. – There is appropriated from the Helene Fund the sum of five hundred twenty-four million dollars ($524,000,000) in nonrecurring funds as follows:

(1) Notwithstanding G.S. 143B-1040(c), one hundred twenty million dollars ($120,000,000) to the Department of Commerce, Division of Community Revitalization (DCR), for the Home Reconstruction and Repair Program (Program). The Program shall be CDBG-DR compliant and consistent with the United States Department of Housing and Urban Development's Universal Notice in 90 FR 1754, as amended, to ensure maximum reimbursement from federal funds when those funds become available. DCR shall report to the Joint Legislative Emergency Management Oversight Committee, the Joint Legislative Commission on Governmental Operations, and the Fiscal Research Division by March 31, 2025, on how the Program will be set up prior to accepting applications.

(2) Two hundred million dollars ($200,000,000) to the Department of Agriculture and Consumer Services for the Agricultural Disaster Crop Loss Program as created in Subpart II-D of this act.

(3) One hundred million dollars ($100,000,000) to NCEM for the Private Road and Bridges Repair and Replacement Program in accordance with Subpart II-C of this act.

(4) Fifty-five million dollars ($55,000,000) for the Small Business Infrastructure Grant Program in accordance with Subpart II-F of this act.

(5) Twenty million dollars ($20,000,000) to OSBM to distribute to State agencies and units of local government for debris and sedimentation removal unmet needs. NCEM shall assist OSBM in coordinating the debris removal with relevant State agencies and local stakeholders. OSBM shall prioritize using these funds to address identified gaps in debris cleanup not met by other federal and State programs.

(6) Ten million dollars ($10,000,000) to the Office of the State Fire Marshal to disburse grants to small and volunteer fire departments in counties in the affected area that qualify for Individual and Public Assistance Categories C-G to cover expenses incurred due to Hurricane Helene, to purchase equipment, or to make capital improvements to assist with readiness for future emergency response. A grant under this subdivision shall not exceed five hundred thousand dollars ($500,000). The Office of the State Fire Marshal may use up to two hundred fifty thousand dollars ($250,000) of the funds appropriated in this subdivision for administrative costs related to disbursing these grants.

(7) Ten million dollars ($10,000,000) to NCEM to disburse grants to any member organization of Volunteer Organizations Active in Disaster (VOADs) actively involved in actual and ongoing repair and reconstruction projects.

(8) Four million dollars ($4,000,000) to the Department of Commerce for the nonprofit corporation with which the Department contracts pursuant to

G.S. 143B-431.01(b) for targeted media campaigns to encourage both in-State and out-of-state tourists to return to areas impacted by Hurricane Helene in 2025. The nonprofit corporation shall (i) coordinate with the Department of Transportation to promote areas and roads that are open and accessible for tourism and travel and (ii) promote, including through advertising, awareness of segments of the Blue Ridge Parkway that are, or subsequently become, open to the public.

(9) Nine million dollars ($9,000,000) to the Department of Public Instruction for the School Extension Learning Recovery Program in accordance with Subpart II-G of this act.

SECTION 2A.3. Additional Rental Assistance. – Effective retroactively to October 25, 2024, Section 4B.7 of S.L. 2024-53 reads as rewritten:

"**SECTION 4B.7.** Of the funds appropriated in this act to the Department of Health and Human Services, Division of Social Services (Division), the sum of one million dollars ($1,000,000) in nonrecurring funds shall be allocated to county departments of social services to provide rental assistance to individuals who reside, temporarily or permanently, in counties in the affected area that qualify for FEMA Individual and Public Assistance Categories A-G. Assistance shall be limited to households at or below two hundred percent (200%) of the federal poverty level who have suffered hardship due to the impacts of Hurricane Helene. These households shall receive ~~a one-time payment~~ up to two payments, as determined by the county departments of social services, each in an amount up to the U.S. Department of Housing and Urban Development's (HUD) local area Fair Market Rents (FMRs) measure for a two-bedroom unit. Payments under this section shall be used to assist households facing a housing crisis, such as imminent risk of eviction. County departments of social services may use up to five percent (5%) of their allocated amount for administrative costs."

SECTION 2A.4.(a) Findings of Fact. – The General Assembly finds that:

(1) The Hurricane Helene Disaster Supplemental Nutrition Assistance Program, a federal program to provide food assistance to low-income households with food loss or damages caused by Hurricane Helene, ended in November 2024.

(2) Less than half of the ten million dollars ($10,000,000) in State funds appropriated for administration of the program were expended.

SECTION 2A.4.(b) Disaster Supplemental Nutrition Assistance Program Funding Adjustment. – Notwithstanding S.L. 2024-53 or any provision of the Committee Report of that act to the contrary, the amount for Disaster Supplemental Nutrition Assistance Program in Item 22, page F-3 of that report shall be reduced by four million dollars ($4,000,000) in order to increase funding to the Department of Commerce for targeted media campaigns in accordance with Section 2A.2(8) of this act. The State Controller shall make any transfers necessary to effectuate this section.

SECTION 2A.4.(c) Adjustment Reconciliation. – Section 2.1(a) of S.L. 2024-53 reads as rewritten:

"**SECTION 2.1.(a)** Appropriation of State Funds (Helene Fund). – Appropriations from the Helene Fund for the budgets of State agencies and non-State entities, and for other purposes enumerated, are made for the 2024-2025 fiscal year, according to the following schedule:

Helene Fund Appropriations	**FY 2024-2025**
…	
HEALTH AND HUMAN SERVICES	
Department of Health and Human Services	~~71,400,000~~67,400,000

…

Total Appropriation ~~**604,150,000**~~**600,150,000**"

SUBPART II-B. CLOSE OUT OPERATIONS PROVIDE EMERGENCY RELIEF

SECTION 2B.1.(a) Subpart D of Part 5 of Article 13 of Chapter 143B of the General Statutes reads as rewritten:

"~~Subpart D. Office of Recovery and Resiliency.~~

"~~**§ 143B-1040. Office of Recovery and Resiliency.**~~

~~(a) The Office of Recovery and Resiliency (Office) is created in the Department of Public Safety. The Office shall execute multi-year recovery and resiliency projects and administer funds provided by the Community Development Block Grant Disaster Recovery program for Hurricanes Florence and Matthew. The Office will provide general disaster recovery coordination and public information; citizen outreach and application case management; audit, finance, compliance, and reporting on disaster recovery funds; and program and construction management services. The Office shall also contract for services from vendors specializing in housing, construction, and project management services.~~

~~(b) The Office shall develop and administer a grant program for financially distressed local governments to assist with recovery capacity. The grants shall cover the salaries, benefits, and operating costs for up to two three-year positions and may also be used to purchase one vehicle per community as necessitated by the individual circumstances of each community. The Office shall also, in consultation with the Local Government Commission, develop and administer a one-time emergency fund for local governments in disaster-affected areas that need immediate cash flow assistance. These funds shall be used to meet local government debt service obligations, to meet payroll obligations for local governments, and to meet vendor payments where nonpayment would result in negative financial outcome.~~

~~(c) Notwithstanding any other provision of law, all Community Development Block Grant Disaster Recovery awards received by the State in response to the declarations and executive orders described in Section 3.1 of S.L. 2016-124, or in any subsequent federally declared disasters, shall be administered by the North Carolina Office of Recovery and Resiliency of the Department of Public Safety, including circumstances where the designated grantee is an agency other than the North Carolina Office of Recovery and Resiliency.~~

"~~**§ 143B-1041. Interagency coordination.**~~

~~(a) The Office shall establish an intergovernmental working group composed of representatives from the Department of Environmental Quality and other relevant State agencies, local governments, and other stakeholders to identify legislative, economic, jurisdictional, and other challenges related to stream management and flooding reduction. Beginning January 1, 2022, and biannually thereafter, the Office shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division regarding the findings and recommendations of the working group.~~

~~(b) The Office of Recovery and Resiliency and the Division of Emergency Management of the Department of Public Safety, the Director of the Division of Coastal Management of the Department of Environmental Quality, and the Secretary of the Department of Transportation, or their respective designees, shall meet at least quarterly beginning January 1, 2022, in order to coordinate the grant making and technical assistance activities each agency is carrying out related to subsection (a) of this section.~~"

SECTION 2B.1.(b) Subsection (a) of this section becomes effective October 1, 2026.

SECTION 2B.2.(a) Transfers. – The State Controller shall transfer the following amounts from the following sources to the Disaster Relief Reserve:

(1) One hundred twenty-one million dollars ($121,000,000) from the Savings Reserve.
(2) Ninety-six million dollars ($96,000,000) from the SERDRF.

SECTION 2B.2.(a1) Additional Transfer. – The State Controller shall transfer all funds remaining in the Hurricane Florence Disaster Recovery Fund that remain unexpended as of the date this act becomes law to the Savings Reserve.

SECTION 2B.2.(b) Appropriation. – The funds transferred in subsection (a) of this section are appropriated within the Disaster Relief Reserve and are allocated to NCORR for the completion of the homeowner recovery program for Hurricanes Matthew and Florence.

SECTION 2B.2.(c) Prioritization. – NCORR shall prioritize (i) entering into a memorandum of understanding with the Housing Finance Agency to retrieve eligible funding for the homeowner recovery program and (ii) spending those funds received from the Housing Finance Agency for the remaining unmet needs for the homeowner recovery projects consistent with subsection (b) of this section.

SECTION 2B.2.(d) Reversion of Funds. – Funds appropriated to NCORR under this section shall revert to the Savings Reserve on October 1, 2026.

SECTION 2B.3.(a) Issuance of Notices to Proceed. – NCORR shall issue, at a minimum, Notices to Proceed to program-selected contractors for homeowner projects for the homeowner recovery programs for Hurricanes Matthew and Florence under the following schedule. These percentages represent the percentage of the overall total number of projects for the history of the homeowner recovery program:

(1) By May 1, 2025, eighty-eight and one-half percent (88.5%).
(2) By June 1, 2025, ninety percent (90%).
(3) By July 1, 2025, ninety-one and one-half percent (91.5%).

SECTION 2B.3.(b) Unawarded Projects. – The total number of homeowner projects not awarded to contractors shall not exceed the following maximums:

(1) By May 1, 2025, 100 projects.
(2) By June 1, 2025, 70 projects.
(3) By July 1, 2025, 40 projects.

SECTION 2B.3.(c) Exclusion of Withdrawn/Ineligible Projects. – Projects withdrawn or not eligible for reconstruction or another category of the Community Development Block Grant – Disaster Relief homeowner recovery programs for Hurricanes Matthew and Florence shall not count toward the requirements of this section when assessing NCORR's compliance.

SECTION 2B.3.(d) Reporting. – NCORR shall report to the Joint Legislative Commission on Governmental Operations (Commission) and the Fiscal Research Division (i) within five business days of each deadline established in subsections (a) and (b) of this section, written reports on their compliance with the schedules and benchmarks set forth in those subsections and (ii) weekly reports, including total spending, funds available, and the number of homeowner repair and reconstruction projects at their respective stages of completion.

SECTION 2B.3.(e) Noncompliance Reporting. – If the Commission staff determines NCORR is not in compliance with the schedules set forth in this section, then the Commission shall notify NCORR and the chairs of the House and Senate Appropriations Committees of their determination. No later than five business days after receipt of the notice of noncompliance, NCORR shall submit a written report explaining the compliance deficiencies to the chairs of the House and Senate Appropriations Committees and the Fiscal Research Division.

SECTION 2B.4. Monthly Reporting. – Beginning August 1, 2025, NCORR shall report monthly to the Commission and the Fiscal Research Division on all projects completed and unawarded projects in the homeowner recovery program for Hurricanes Matthew and Florence until NCORR is dissolved pursuant to this act. The report shall contain, at a minimum, all information contained in the report required under subsection (d) of Section 2B.3 of this act

regarding compliance with the schedules and benchmarks in this section. The noncompliance requirements of subsection (e) of Section 2B.3 of this act apply to this section.

SECTION 2B.5. Modify Audit Reporting Frequency. – Section 1F.2(d) of S.L. 2024-57 reads as rewritten:

"**SECTION 1F.2.(d)** Reporting. – In addition to the requirements of G.S. 147-64.5(a), the State Auditor shall furnish copies of any and all audits performed under this section to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division within 30 days of the completion of each audit. OSBM shall submit a ~~quarterly~~ monthly report on the ongoing financial monitoring of the Office to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division in each ~~quarter~~ month that the Office is expending State or federal funds for storm recovery efforts."

SUBPART II-C. PRIVATE ROAD AND BRIDGE REPAIR AND REPLACEMENT PROGRAM

SECTION 2C.1.(a) Private Road and Bridge Repair and Replacement Program. – The Private Road and Bridge Repair and Replacement Program (Program) is established within NCEM for the repair and replacement of private roads and bridges damaged or destroyed by Hurricane Helene. NCEM shall consult with the Department of Transportation in administering the Program and shall develop criteria and an application process to select private roads and bridges eligible for repair or replacement consistent with this subsection. NCEM may use up to two percent (2%) for administrative costs for the Program. NCEM shall prioritize applications for the repair and replacement of private roads or bridges that provide the sole option for ingress and egress for (i) emergency services to a residential property that is occupied by the owner for more than six months of the calendar year, (ii) multiple residential homes, or (iii) recreation or commercial facilities. These funds may be used for program costs incurred for the engineering, design, and construction of private roads and bridges, funding to nonprofit organizations supporting bridge repairs, and may also be used to provide technical support and assistance for individuals and local governments to comply with no-rise certification requirements required by FEMA under the National Flood Insurance Program.

SECTION 2C.1.(b) HOA Cost-Share. – If a qualifying private road or bridge is owned by a homeowners association (HOA), then NCEM shall enter into a cost-share agreement with the HOA for all project engineering and construction costs. NCEM's share of costs pursuant to any agreement shall not exceed fifty percent (50%). Any funds that the HOA pays toward these projects shall be non-State dollars.

SECTION 2C.1.(c) Ownership Restriction. – If a private road or bridge is repaired or replaced through the Program, the ownership or responsibility for maintenance or safety of the repaired or replaced road or bridge shall not transfer to or be assumed by the State or a political subdivision thereof by virtue of the repair or replacement under this Program.

SECTION 2C.1.(d) Federal Funding. – If federal assistance or alternative funds are available for the same purposes in subsection (a) of this section, NCEM shall not duplicate efforts or benefits and take all reasonable steps to obtain that federal assistance or alternative funds prior to obligating funds for the Program with State funds.

SECTION 2C.1.(e) Reporting Requirement. – NCEM shall annually report to the Joint Legislative Emergency Management Oversight Committee and the Fiscal Research Division beginning on June 30, 2025, and ending on June 30, 2029, on the Program. The report shall include, at a minimum, all of the following:

(1) The criteria used for awarding funds.
(2) The locations of any roads or bridges replaced.
(3) The average grant amount requested and disbursed.
(4) The number of projects requested, declined, and funded.

(5) The identification of unmet needs remaining at the end of each fiscal year for private road or bridge repair or replacement.

SUBPART II-D. AGRICULTURAL DISASTER CROP LOSS PROGRAM

SECTION 2D.1.(a) Intent to Appropriate Future Funds. – It is the intent of the North Carolina General Assembly to review the funds appropriated by Congress for agricultural disaster relief and to consider actions needed to address any remaining unmet needs. It is also the intent of the North Carolina General Assembly to review the adequacy of the agricultural relief measures funded by this act at that time.

SECTION 2D.1.(b) Transfer; Appropriation. – The State Controller shall transfer one hundred million dollars ($100,000,000) from SERDRF to the Disaster Relief Reserve. The funds transferred pursuant to this subsection are appropriated from the Disaster Relief Reserve to the Department of Agricultural and Consumer Services for the Agricultural Disaster Crop Loss Program as created in this subpart.

SECTION 2D.1.(c) Allocation of Funds. – Of the funds appropriated in Section 2A.2 of this act and this section to the Department of Agriculture and Consumer Services for the Agricultural Disaster Crop Loss Program, the funds shall be allocated within the Program as follows:

(1) Two hundred million dollars ($200,000,000) for verifiable losses from Hurricane Helene in the affected area.

(2) One hundred million dollars ($100,000,000) for verifiable losses from an agricultural disaster in 2024, excluding Hurricane Helene. Additionally, the Department shall use remaining funds from Section 5.9A(c)(2) of S.L. 2021-180 and Section 5.4(a)(4) of S.L. 2022-74 for the same purpose.

SECTION 2D.2.(a) Agricultural Disaster Crop Loss Program. – The 2024 Agricultural Disaster Crop Loss Program is established within the Department of Agriculture and Consumer Services. The Program shall be used to provide financial assistance, subject to Section 2D.1 of this act, to farmers with verified losses from an agricultural disaster in this State in 2024. The Department may use up to one percent (1%) of funds allocated for the Program for administrative purposes. To be eligible for financial assistance for losses of agricultural or aquaculture commodities or farm infrastructure, a person must satisfy all of the following criteria:

(1) The person experienced a verifiable loss of agricultural or aquaculture commodities or farm infrastructure as a result of an agricultural disaster in 2024, and the person's farm is located in an affected county for the respective agricultural disaster.

(2) The agricultural commodity was planted before the eligibility date; for aquaculture commodities, the commodities were being raised before the eligibility date; or for farm infrastructure, the infrastructure existed before the eligibility date.

SECTION 2D.2.(b) Verification of Loss. – A person seeking financial assistance for losses of agricultural commodities under the Program shall submit to the Department a Form 578 on file with the USDA Farm Service Agency or a form provided by the Department for reporting acreage or plantings of crops or reporting infrastructure damage or loss that is not typically reported on Form 578, along with any other documentation deemed appropriate by the Department, no later than 45 days after this section becomes effective. For nursery crops, fruit-bearing trees and bushes, and specialty crops where the survival level is not immediately known, the Department may extend this deadline by an additional 45 days, upon written request by the person received no later than 45 days after this subpart becomes effective and upon approval by the Department. A person receiving assistance under this Program must provide a signed affidavit, under penalty of perjury, certifying that each fact of the loss presented by the person is accurate.

SECTION 2D.2.(c) Criteria. – The Department shall administer the financial assistance program authorized by this subpart in accordance with the following criteria:

(1) In determining the payment calculation for agricultural commodities, the Department shall use a formula based on acreage, county loss estimates, USDA National Agricultural Statistics Service averages, and any other measure the Department deems appropriate. Funds shall be distributed based on county averages for yields and State averages for price. Calculations shall be based on county or State averages in price, whichever the Department determines is appropriate.

(2) The Department shall gather all claim information, except from those applicants granted a deadline extension, no later than 45 days after this subpart becomes law. The Department shall, as closely as possible, estimate the amount of the funds needed to be held in reserve for payments related to losses of nursery, bush, tree, and specialty crops for which losses will not be fully known or calculated. The Department shall set aside funds as it deems appropriate based on the estimated percentage of these losses.

(3) Payments made under this Program shall be made to the person who filed the Form 578 or Department form for claims related to agricultural or aquaculture commodity or farm infrastructure losses.

(4) The Department shall develop a formula to determine the payment calculation for farm infrastructure damage or loss using measures the Department deems appropriate. The Department shall consider any other available insurance claims that may be available to the applicant when developing the formula under this subdivision.

SECTION 2D.2.(d) Audit. – The Department may audit the financial and other records of each recipient of funds in order to ensure that the funds are used in accordance with the requirements of this Program. The Department may require any documentation or proof it considers necessary to efficiently administer this Program, including the ownership structure of each entity, the social security numbers of each owner, and any documentation of insurance payments or federal funds for verified losses. In order to verify losses, the Department may require the submission of dated, signed, and continuous records. These records may include, but are not limited to, commercial receipts, settlement sheets, warehouse ledger sheets, pick records, load summaries, contemporaneous measurements, truck scale tickets, contemporaneous diaries, appraisals, ledgers of income, income statements of deposit slips, cash register tape, invoices for custom harvesting, u-pick records, and insurance documents.

SECTION 2D.2.(e) Expenditure of Awarded Funds. – Awarded funds shall be used for agricultural production expenses and recovery of losses due to the impacts of the agricultural disaster. The Department shall develop guidelines and procedures to ensure that funds are expended for the purposes allowed by this subpart and may require any documentation it determines necessary to verify the appropriate use of financial assistance awards, including receipts. All distributed funds are subject to federal and State income tax.

SECTION 2D.2.(f) Refund of Award. – If a person receives financial assistance under this Program for which the person is ineligible, or if the amount of the financial assistance received is based on inaccurate information, the person forfeits the assistance awarded under this subpart and is liable for the amounts received. Assistance forfeited under this subpart shall bear interest at the rate determined in accordance with G.S. 105-241.21 as of the date of receipt until repaid. Financial assistance forfeited but not paid shall be collected by a civil action in the name of the State, and the recipient shall pay the cost of the action. The Attorney General, at the request of the Commissioner of Agriculture, shall institute the action in the proper court for the collection of the award forfeited, including interest thereon.

SECTION 2D.2.(g) Definitions. – The following definitions apply in this Program:

(1) Agricultural disaster. – A secretarial disaster designation declared by the USDA Secretary for qualifying counties in this State.
(2) Agricultural or aquaculture commodity. – As determined by the Department. This term does not include livestock or poultry.
(3) Department. – The Department of Agriculture and Consumer Services.
(4) Eligibility date. – The date of the disaster set forth in the Secretarial declaration for the county in which the agricultural or aquaculture commodities or farm infrastructure are located and for which verifiable losses are claimed.
(5) Farm infrastructure. – Fencing, greenhouses, barns, equipment, and farm roads or other structures or site improvements used for farming purposes.
(6) Program. – The Agricultural Disaster Crop Loss Program.
(7) Qualifying county. – A county in this State that meets one of the following criteria:
a. A primary county or contiguous county listed by the USDA for an agricultural disaster.
b. A county designated under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288).
c. A county in this State deemed qualifying by State law because of impacts from an agricultural disaster.
(8) USDA. – The United States Department of Agriculture.

SECTION 2D.2.(h) Commissioner of Agriculture Discretion. – The Commissioner of Agriculture may also use the funds appropriated for the Program for purposes related to Hurricane Helene recovery for farmers, including storm debris removal, streambank restoration, stream restoration, and cropland restoration in the affected area, if the applicant under this Program identifies that unmet need to the Department in the application.

SECTION 2D.2.(i) Reporting. – The Department shall submit a report to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division six months after the Program receives funds for an agricultural disaster and every six months thereafter until all funds are expended containing, at a minimum, all of the following data:
(1) The number of applicants by agricultural or aquaculture commodity or farm infrastructure, and the county in which the person incurred the verified loss.
(2) The number and amount of grants awarded by agricultural or aquaculture commodity or farm infrastructure.
(3) The geographic distribution of the grants awarded.
(4) The total amount of funding available to the Program, the total amount encumbered, and the total amount disbursed to date.
(5) Any refunds made to the Program.

SECTION 2D.2.(j) Expiration and Reversion. – The Program shall expire 30 months after this section becomes effective. Any funds allocated to the Program not expended or encumbered by that date shall revert to the SERDRF.

SUBPART II-E. RESERVED.

SUBPART II-F. SMALL BUSINESS INFRASTRUCTURE GRANT PROGRAM

SECTION 2F.1.(a) Program; Purpose. – There is established the Small Business Infrastructure Grant Program to be administered by the Department of Commerce. The purpose of the program is to assist small businesses by providing grants to local governments to expedite infrastructure repairs impacting the operation and patronage of small businesses in the affected area.

SECTION 2F.1.(b) Definitions. – The following definitions apply in this section:

(1) Department. – The Department of Commerce.

(2) Eligible local government. – A city or county, as those terms are defined in G.S. 160A-1 and G.S. 153A-1, located in the affected area.

(3) Program. – The Small Business Infrastructure Grant Program.

(4) Qualifying infrastructure needs. – Water, sewer, gas, telecommunications, high-speed broadband, electrical utility, and sidewalk and curb infrastructure serving one or more small businesses located in an eligible local government and damaged by Hurricane Helene that, until repaired, inhibits access to or operations of one or more of those small businesses. The term does not include infrastructure the small business owns or is responsible for maintaining.

(5) Small business. – A business with a physical presence in the affected area that employs 150 or fewer employees.

SECTION 2F.1.(c) Applications; Verification. – An eligible local government with qualifying infrastructure needs, or a small business located therein, may apply for a grant under the program. An applicant must (i) identify with specificity the qualifying infrastructure needs, (ii) provide a cost estimate to repair the needs, (iii) provide a short summary of the detrimental impact on the named small businesses and how those businesses will benefit from the grant, (iv) apply to the Department on a form prescribed by the Department, and (v) include any supporting documentation required by the Department. The Department may accept applications until the funds available under the program have been fully awarded. The Department shall consult with applicants to substantiate applications prior to awarding grants under the program and prioritize grants so as to maximize the beneficial and efficient use of program funding. Grants shall be awarded to the eligible local government in which the qualifying infrastructure needs are located, and the eligible local government shall be responsible for using the grant amount for repairing the needs identified in the application.

SECTION 2F.1.(d) Grant Amount. – The total grant amount per county in the affected area shall not exceed ten percent (10%) of the total funds appropriated for the program.

SECTION 2F.1.(e) Eligible Uses. – Grants awarded under this program shall be used by local governments for repairing qualifying infrastructure needs that the Department, in consultation with applicant local governments and small businesses, determines adversely affect access to or operations of identified small businesses.

SECTION 2F.1.(f) Grant Program Limit. – The total of all funds granted under this program may not exceed the amount allocated to the program under this section. Grants shall be awarded on a first-come, first-served basis.

SECTION 2F.1.(g) Administrative Expenses. – The Department may retain up to one and one-half percent (1.5%) of the funds appropriated for the grant program established by this section for administrative expenses.

SECTION 2F.1.(h) Reporting. – Beginning December 15, 2025, and continuing every six months thereafter, the Department shall submit a report on the program to the Joint Legislative Economic Development and Global Engagement Oversight Committee and the Fiscal Research Division. The duty to report pursuant to this section shall cease after the submission of the report following when the Department has awarded the final grant under the program. Each report shall contain, at a minimum, all of the following:

(1) The total grant amount awarded to date.

(2) The average grant amount per project.

(3) The types and number of qualifying infrastructure needs that have received grant funding.

(4) The types and number of small businesses that have benefitted from the program.

SUBPART II-G. SCHOOL EXTENSION LEARNING RECOVERY PROGRAM

SECTION 2G.1.(a) Participating School Units. – For purposes of this section, a "participating school unit" is any of the following:

(1) All local school administrative units located in the following counties:
  a. Ashe County.
  b. Avery County.
  c. Buncombe County.
  d. Burke County.
  e. Haywood County.
  f. Henderson County.
  g. Madison County.
  h. McDowell County.
  i. Mitchell County.
  j. Rutherford County.
  k. Transylvania County.
  l. Watauga County.
  m. Yancey County.

(2) Any charter school located in a county listed in subdivision (1) of this subsection that elects to participate in the program established in this section.

SECTION 2G.1.(b) Program Established; Purpose. – Notwithstanding Part 3 of Article 16 of Chapter 115C of the General Statutes or any other provision of law, following the end of the 2024-2025 school year, participating school units shall offer a School Extension Learning Recovery Program (Program) outside of the instructional school calendar. The purpose of the Program shall be to provide instruction on specific subjects and enrichment to students in grades four through eight to address learning losses and negative impacts students have experienced due to unusual and extraordinary conditions related to Hurricane Helene in the 2024-2025 school year.

SECTION 2G.1.(c) Student Enrollment. – Only students in grades four through eight that were enrolled in a school in a participating school unit during the 2024-2025 school year are eligible to enroll in the Program. Eligible students that have not reached proficiency in reading or mathematics, as demonstrated by the results of the State-approved annual assessment, by the end of the 2024-2025 school year shall be given first priority to enroll in the Program. Other eligible students may participate in the Program within space available. Participation in the Program is voluntary.

SECTION 2G.1.(d) Parental Consent. – The parent or guardian of a student given first priority for enrollment shall be encouraged to enroll the student in the Program, but the parent or guardian shall make the final decision regarding the student's Program enrollment. A parent or guardian must provide consent for a student to enroll in the Program.

SECTION 2G.1.(e) Student Assignment. – Students enrolled in the Program shall, whenever possible, attend the Program at a school in the public school unit in which the student was enrolled for the 2024-2025 school year. Students that were enrolled in a charter school that has elected not to participate in the Program may attend the Program in the participating school unit closest to the student's residence.

SECTION 2G.1.(f) Program Plan; Requirements. – A participating school unit shall develop and submit a plan for its Program that meets the requirements of this section to the Department of Public Instruction no later than 30 days prior to the final instructional day of the 2024-2025 school year. The Department shall notify the participating school unit of any recommended changes to the Program plan within 21 days of receiving the proposed plan. The Program shall be separate and apart from the 2024-2025 school year and shall not be an extension of the 2024-2025 school year. The plan shall include at least the following as components of the Program:

(1) Instruction shall be delivered for at least 72 hours over the course of the Program as follows:
  a. Each day of the Program shall contain a minimum of three hours of instructional time and one hour of enrichment activity.
  b. The instructional time shall not include the time for lunch service, transition periods, and the physical activity period as required by this section.
  c. Instruction shall not be delivered on Saturdays.
  d. Instruction shall be in person only.
(2) Meal service for each instructional day.
(3) A period of physical activity during the instructional day.
(4) Transportation services to the school facility housing the Program.
(5) Grade level course offerings in reading or mathematics. The courses offered shall be determined by the needs of students and staff competencies. The Program may consist of any of the following:
  a. Students taking courses in only reading.
  b. Students taking courses in only mathematics.
  c. Students taking a combination of both reading and mathematics courses.
  d. Any combination of the above.
(6) At least one enrichment activity. The participating school unit shall have discretion in the type of enrichment activity offered, such as a sports, music, or arts program.
(7) Identify the assessments that will be administered at the beginning and end of the Program to evaluate student progress.

SECTION 2G.1.(g) Employment of School Personnel. – Notwithstanding Articles 19, 20, 21, and Part 3 of Article 22 of Chapter 115C of the General Statutes, a participating school unit shall employ teachers and other school personnel as temporary employees on a contract basis for the period of the Program. School personnel employed as temporary employees by a participating school unit pursuant to this section shall not be considered an "employee," as defined in G.S. 135-1(10), or a "teacher," as defined in G.S. 135-1(25), nor shall it cause school personnel to be considered an "employee or State employee" under G.S. 135-48.1(10). In addition, school personnel shall not be deemed as earning "compensation," as defined in G.S. 135-1(7a), and shall not be eligible to accrue paid leave during their temporary employment.

SECTION 2G.1.(h) Program Assessments. – No later than April 1, 2025, the Department of Public Instruction shall make available to all public school units that may participate in the Program under subsection (a) of this section a list of all assessments that were used to evaluate students in a program conducted pursuant to S.L. 2021-7. Participating school units shall select an assessment per grade and subject for students in grades four through eight from the list provided by the Department that shall be taken at the beginning of the Program and at the conclusion of the Program. Each participating school unit shall ensure that the results of all assessments administered to a student shall be provided to all teachers of record for that student for the 2025-2026 school year.

SECTION 2G.1.(i) Participating Unit Reporting Requirements. – By October 15, 2025, school units shall report all of the following to the Department of Public Instruction:
(1) The number of students offered first priority enrollment in the Program, and the total number of students that enrolled in the Program.
(2) The attendance record of enrolled students.
(3) Results of the assessment given to students at the beginning and end of the Program.

(4) The number of students who progressed to the next grade level and the number of students who were retained in the same grade level after participating in the Program.

SECTION 2G.1.(j) Department Reporting Requirements. – No later than January 15, 2026, the Department of Public Instruction shall report to the Joint Legislative Education Oversight Committee on the following:

(1) Implementation of the School Extension Learning Recovery Program.
(2) The information required to be reported under subsection (i) of this section.
(3) A copy of each Program plan submitted to the Department, including any changes recommended by the Department, the reason the change was recommended, and whether the recommendation was followed.
(4) Any other data or information the Department deems relevant.

SECTION 2G.1.(k) Study. – The Office of Learning Research at the University of North Carolina at Chapel Hill (OLR) shall study the overall effectiveness of the School Extension Learning Recovery Program, as well as the impact of various individual Program plan designs on academic student outcomes. The Department of Public Instruction shall provide OLR any information or data it requests to conduct the study to the extent allowed under State and federal law. OLR shall report the results of the study to the Joint Legislative Education Oversight Committee no later than January 15, 2027.

SECTION 2G.1.(*l*) Appropriation. – Of the funds appropriated to the Department of Public Instruction in this act, the sum of nine million dollars ($9,000,000) in nonrecurring funds shall be used for the School Extension Learning Recovery Program, as established by this section. The Department shall allocate these funds to participating school units as follows:

(1) Up to two hundred thousand dollars ($200,000) may be used statewide for the assessments required by subsection (h) of this section.
(2) Twenty thousand dollars ($20,000) to each participating school unit.
(3) The remainder of the funds under this section shall be allocated on the basis of average daily membership in grades four through eight.

SECTION 2G.1.(m) Reversion. – Funds appropriated to the Department of Public Instruction under this section shall revert to the Helene Fund on October 15, 2025.

PART III. EXTENSION OF STATE OF EMERGENCY

SECTION 3.1. In accordance with G.S. 166A-19.20(c)(2), the statewide declaration of emergency issued by the Governor in Executive Order No. 315, concurred to by the Council of State, and extended by Section 3.1 of S.L. 2024-51, is further extended until June 30, 2025. This provision has no effect on Executive Order No. 322, issued by the Governor on October 16, 2024.

PART IV. REVERSION, LIMITATIONS ON USE OF FUNDS, AUDIT, AND REPORTING OF FUNDS

SECTION 4.1.(a) Reversion. – Except as otherwise provided, funds appropriated under Part II of this act shall revert to the Savings Reserve if not expended or encumbered by June 30, 2030.

SECTION 4.1.(b) Receipt of Allocations. – A recipient of State funds under this act shall use best efforts and take all reasonable steps to obtain alternative funds that cover the losses or needs for which the State funds are provided, including funds from insurance policies in effect and available federal aid. State funds paid under this act are declared to be excess over funds received by a recipient from the settlement of a claim for loss or damage covered under the recipient's applicable insurance policy in effect or federal aid. Where a recipient is an institution of higher education or a non-State entity, the requirement regarding alternative funds, and the calculation of alternative funds received, under this subsection includes seeking private donations

to help cover the losses or needs for which State funds are provided. An agency awarding State funds for disaster relief shall include a notice to the recipient of the requirements of this subsection.

SECTION 4.1.(c) Remittance of Funds. – If a recipient obtains alternative funds pursuant to subsection (b) of this section, the recipient shall remit the funds to the State agency from which the State funds were received. A recipient is not required to remit any amount in excess of the State funds provided to the recipient under this act. The State agency shall transfer these funds to the Savings Reserve.

SECTION 4.1.(d) Contract Requirements. – Any contract or other instrument entered into by a recipient for receipt of funds under this act shall include the requirements set forth in subsections (b) and (c) of this section.

SECTION 4.1.(e) Limitation on Powers of Governor. – The Governor may not use the funds described in this act to make budget adjustments under G.S. 143C-6-4 or to make reallocations under G.S. 166A-19.40(c). Nothing in this act shall be construed to prohibit the Governor from exercising the Governor's authority under these statutes with respect to funds other than those described in this act.

SECTION 4.1.(f) Directive. – The Governor shall ensure that funds allocated in this act are expended in a manner that does not adversely affect any person's or entity's eligibility for federal funds that are made available, or that are anticipated to be made available, as a result of natural disasters. The Governor shall also, to the extent practicable, avoid using State funds to cover costs that will be, or likely will be, covered by federal funds.

SECTION 4.1.(g) Allocation Reporting Requirements. – Beginning May 15, 2025, for the previous quarter, OSBM shall report to the chairs of the House of Representatives and Senate Appropriations Committees and to the Fiscal Research Division of the General Assembly on the implementation of this act on a quarterly basis until the end of the quarter in which all funds are expended and shall also provide any additional reports or information requested by the Fiscal Research Division. In reporting on the use of State disaster recovery and assistance funds expended pursuant to this act and federal funds received by State agencies for disaster relief and recovery efforts, OSBM shall include, regardless of which State agency, federal agency, or non-State entity that administers the funds, all of the following for each program:

(1) The purpose of the program.
(2) The responsible department or agency.
(3) Current, year-to-date, and total cumulative funds appropriated, receipted from non-State sources, expended, encumbered, and obligated by program and by source of funds.
(4) A summary of activities.
(5) The total program spending by county, where practicable.
(6) Funds returned to the Savings Reserve pursuant to subsection (c) of this section, as applicable.

Non-State entities that administer or receive any funds appropriated in this act shall assist and fully cooperate with OSBM in meeting OSBM's obligations under this section.

SECTION 4.1.(h) Relationship to Previous Reporting Requirements. – Subsection (g) of this section supersedes Section 7.1(h) of S.L. 2024-51, as amended by Section 5.6 of S.L. 2024-53, and Section 3.1(g) of S.L. 2024-53 (collectively, the prior reporting requirements). In cases of any conflict between the prior reporting requirements and subsection (g) of this section, the language in subsection (g) of this section shall prevail.

SECTION 4.2.(a) Reporting Requirements to State Auditor. – The Office of the Governor of North Carolina shall report to the Office of the State Auditor all disaster relief funds allocated to Hurricane Helene relief that have been disbursed as of the enactment of this section and thereafter shall regularly report future disbursements of all disaster relief funds allocated to Hurricane Helene relief as they are disbursed. These reports shall include detailed information

on all expenditures for personnel, administrative expenses, capital, supplies, and direct aid and any documents relevant to funds appropriated by or received by the State of North Carolina for disaster relief for Hurricane Helene.

SECTION 4.2.(b) Auditor Reporting Time Line. – The Office of the Governor shall send the required information and documents, in accordance with subsection (a) of this section, relating to funds already disbursed to the Office of the State Auditor as soon as practicable but no later than 15 business days after this act becomes law. Thereafter, the Office of the Governor of North Carolina shall send the required information and documents relating to subsequent disbursements to the Office of the State Auditor on a weekly basis after each disbursement of disaster relief funds.

SECTION 4.2.(c) Audit Requirements. – The State Auditor shall produce a report of funds expended for Hurricane Helene relief in North Carolina upon the request of the Joint Legislative Commission on Governmental Operations. The State Auditor shall conduct additional periodic financial and performance audits of the Division of Emergency Management, GROW NC, and any additional financial or performance audits as requested by the General Assembly. The audits shall include, at a minimum, all areas of examination as prescribed by G.S. 147-64.6.

SECTION 4.2.(d) Public Dashboard. – The State Auditor shall provide and maintain a public online dashboard that compares the amount of funds appropriated by the legislature with the amount expended by the executive branch for Hurricane Helene relief and any other information the State Auditor deems relevant.

PART V. DISASTER RECOVERY REGULATORY AND PROCUREMENT FLEXIBILITY

EXTENSION OF EXPIRATION DATES FOR CERTAIN REGULATORY FLEXIBILITY PROVISIONS

SECTION 5.1. The following provisions of S.L. 2024-51 (Helene I), S.L. 2024-53 (Helene II), and S.L. 2024-57 (Helene III) providing regulatory flexibility and (i) expiring, ending, or otherwise limited in applicability on any day of March through June 2025 or (ii) for which no expiration date is specified are, notwithstanding any provisions of those acts to the contrary, extended to the date of expiration of the statewide declaration of emergency issued by the Governor in Executive Order No. 315, concurred to by the Council of State, and extended pursuant to S.L. 2024-51, this act, or any other enactment of a general law:

(1) Helene I:
  a. Section 10.1 ("Funding Flexibility for Drinking Water and Wastewater Infrastructure Projects").
  b. Section 16.1 ("Extend Grace Period for Corporations, Nonprofits, and LLCs in FEMA-Designated Counties to Correct Grounds for Administrative Dissolution").

(2) Helene II:
  a. Section 4E.1 ("Authorize State Agencies to Exercise Regulatory Flexibility for Employment-Related Certifications").
  b. Section 4E.3 ("Flexibility for Building Permit Issuance/Inspections in Disaster Area").

(3) Helene III:
  a. Section 1D.6 ("Temporary Pump and Haul Wastewater Permits").
  b. Section 1D.7 ("Authorize Waiver of Submission and Approval of Sedimentation Pollution Control Plan Prior to Initiation of Land-Disturbing Activities in Certain Circumstances").

c. Section 1D.8 ("Tree Ordinance Restriction in Disaster Declared Counties").
d. Section 1D.9 ("Right to Connect Temporary Housing to Wastewater Treatment System").
e. Section 1E.1 ("Extend Certain Concealed Handgun Permits").
f. Section 1F.4 ("Authorize the Office of the State Fire Marshal to Promulgate Rules for Temporary Manufactured and Modular Dwellings").

FACILITATE PERMANENT INSTALLATION OF BROADBAND INFRASTRUCTURE

SECTION 5.2. To facilitate the permanent installation of broadband infrastructure damaged by Hurricane Helene, all of the following shall apply:

(1) If a roadway constructor is repairing, rebuilding, or reconstructing roads or related roadway infrastructure located within an affected county that is one quarter of a mile or longer in total length, then the roadway constructor shall collaborate and cooperate with any broadband provider that is repairing or rebuilding the broadband infrastructure that is or was located in or along the original road right-of-way. The roadway constructor shall coordinate with the broadband provider to install its cable and equipment at the appropriate time during the road or related roadway construction process in order to facilitate the permanent broadband solution and avoid the necessity of improvements being made immediately upon the conclusion of the road or related roadway construction process that may extend disruptions to the flow of traffic.

(2) If a roadway constructor has allowed the installation of a temporary backbone broadband service or repair within a roadway right-of-way as an immediate means of restoring the backbone broadband service after damage by Hurricane Helene, then, upon presentation of data by the broadband provider of the backbone broadband service that the permanent installation of that temporary backbone broadband service or repair is the most cost-effective and efficient means of achieving the permanent solution for the original damaged backbone broadband service, then the roadway constructor shall fully cooperate with the broadband provider to enable the broadband provider to convert the temporary solution to the permanent solution.

(3) The Department of Transportation and local governments shall allow the underground installation of broadband infrastructure within rights-of-way as needed for repair of broadband infrastructure damaged by Hurricane Helene in affected counties.

ALLOW USE OF INMATES TO CLEAN UP DEBRIS ON PUBLIC ROADS AND ROADSIDES

SECTION 5.3.(a) The Department of Adult Correction shall coordinate with the Department of Transportation to allow for the use of inmates to clean up debris resulting from Hurricane Helene on public roads and roadsides in the affected areas. Except for the requirement that the number and location of prisoners be agreed to far enough in advance of each budget, the coordination required under this section shall be in accordance with G.S. 148-26(b).

SECTION 5.3.(b) Section 19C.10(a) of S.L. 2021-180 reads as rewritten:

"**SECTION 19C.10.(a)** Notwithstanding G.S. 162-58, and consistent with the provisions of Article 3 of Chapter 148 of the General Statutes, sheriffs having custody of inmates under the Statewide Misdemeanant Confinement Program may utilize those inmates to maintain the cleanliness of areas along local and State ~~roadways.~~roadways, which may include the removal of

debris resulting from a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288) or a disaster declared by the Governor under G.S. 166A-19.21."

SECTION 5.3.(c) Subsection (b) of this section is effective when it becomes law and applies to debris removal resulting from disaster declarations made before, on, or after that date.

PROPERTY DISTRIBUTED AND ACQUIRED BY LOCAL GOVERNMENTS AND VOADS TO AID IN DISASTER RECOVERY

SECTION 5.4.(a) Article 3 of Chapter 143 of the General Statutes is amended by adding a new section to read:

"**§ 143-49.2. Purchases by Volunteer Organizations Active in Disasters.**

In consideration of public service, any member organization of Volunteer Organizations Active in Disasters (hereinafter "VOAD member") in the State of North Carolina may purchase heavy construction equipment and motor vehicles under State contract through the Department of Administration if the equipment and motor vehicles are purchased for the purpose of aiding in disaster recovery in this State. The Department of Administration shall make its services available to these organizations in the purchase of the equipment and motor vehicles under the same laws, rules, and regulations applicable to nonprofit organizations as provided in G.S. 143-49(6). Any proceeds or benefit received by a VOAD member from the disposition or sale of equipment or motor vehicles purchased under this section shall be used for a public purpose only."

SECTION 5.4.(b) Article 3A of Chapter 143 of the General Statutes is amended by adding a new Part to read:

"Part 4. Miscellaneous.

"**§ 143-64.8. Distribution of surplus property for disaster recovery.**

(a) Notwithstanding any provision of Part 1 or Part 2 of this Article, the Department of Administration as the State Surplus Property Agency and State agency for federal surplus property shall regularly publish on its website a list of all heavy construction equipment and motor vehicles in its possession and control for review and consideration by units of local government and member organizations of Volunteer Organizations Active in Disasters (hereinafter "VOAD member") as to the useability of the equipment and motor vehicles for disaster recovery efforts in the State of North Carolina. The Department shall loan the property to units of local government and VOAD members on a first-come basis for a period of five years without assessing or collecting any service charge or fee; provided, however, any distribution of property obtained from the United States of America shall comply with federal guidelines for the distribution of federal surplus property and the provisions of G.S. 143-64.2(f). Property loaned to a unit of local government or VOAD member under this section shall not be transferred to another entity by the unit or VOAD member. After the expiration of the five-year time period, the property loaned under this section shall become the property of the unit of local government or VOAD member, as appropriate, and they may sell or otherwise dispose of the property. Any proceeds or benefit received by a VOAD member from the disposition or sale of the property shall be used for a public purpose only. The use of proceeds or benefits received from the sale of the property by a unit of local government is for a public purpose.

(b) The Department of Administration shall maintain a record of each piece of construction equipment and each motor vehicle distributed under subsection (a) of this section, the unit of local government or VOAD member to which the equipment and/or motor vehicle was distributed, and the approximate value of the equipment and/or motor vehicle at the time of distribution. Not later than February 1 of each fiscal year, the Department shall submit a report detailing the distributions to the House Appropriations Committee on General Government, the Senate Appropriations Committee on General Government and Information Technology, and the Fiscal Research Division."

DEPARTMENT OF TRANSPORTATION THIRD-PARTY ADMINISTRATOR FOR FEMA AND FHWA REIMBURSEMENTS

SECTION 5.5. The Department of Transportation shall enter into a contract with a third-party administrator to expeditiously seek reimbursement from FEMA and the Federal Highway Administration (FHWA) for all qualifying disaster expenditures in the affected area. No later than the end of each month, the Department shall submit a report to the Joint Legislative Transportation Oversight Committee and the Fiscal Research Division that contains an itemized list of all disaster expenditures in the affected area that qualify for federal reimbursement for which reimbursement is still pending and the expected amount, including the total amount spent for each expenditure, the expected amount of reimbursement to be received for each expenditure, the reimbursement amount received to date, the dates the work plans and reimbursement applications were submitted, and the expected dates of reimbursement.

FUNERAL ESTABLISHMENT EXEMPTION WAIVER

SECTION 5.6.(a) G.S. 90-210.27A(a1) reads as rewritten:

"(a1) If ~~the preparation room of~~ a funeral establishment is damaged or destroyed by fire, ~~weather,~~ weather event, or ~~other~~ natural disaster, the Board may suspend the requirements of ~~subsection (a)~~ subsections (a) and (c) of this section, in part or whole, for a period not to exceed ~~180 days,~~ two years, provided that the funeral establishment remains in compliance with the requirements of ~~G.S. 90-210.25(d1) and~~ G.S. 90-210.25(a2)(2) and (d) and all other applicable State laws, rules, ~~regulations, and requirements of the Division of Health Services~~ and regulations of the ~~municipality~~ town, municipality, or county where the funeral establishment is located. To receive ~~a suspension~~ an extension of more than ~~90 days,~~ two years from the date of loss, the ~~applicant must show good cause for additional time.~~funeral establishment may petition a court of competent jurisdiction who, upon finding that granting the requested extension would not negatively affect the public health, safety, and welfare, may grant an additional extension not to exceed three years from the date of loss or one year from the date of the court's order, whichever is greater."

SECTION 5.6.(b) The North Carolina Board of Funeral Service may adopt rules to implement the provisions of this section.

RECONSTRUCTION OF NONCONFORMING RESIDENTIAL STRUCTURES

SECTION 5.7.(a) Notwithstanding any local government development regulation to the contrary, and to the extent allowed by federal law, reconstruction or repair of a nonconforming residential structure in the affected area shall be allowed when all of the following criteria are met:

(1) The structure shall not be enlarged beyond its original footprint.
(2) The structure shall serve the same or similar residential use.
(3) There are no alternatives for replacing the structure to provide the same or similar benefits to the structure owner in compliance with current law.
(4) The structure will be reconstructed so as to comply with a local government's current development regulations to the maximum extent possible.
(5) If located in an area regulated by a unit of local government pursuant to a floodplain or flood damage prevention regulation, the structure will be compliant with the regulation.
(6) Reconstruction shall comply with any federal law requiring local government implementation and enforcement.

SECTION 5.7.(b) For purposes of this section, "development regulation" means a unified development ordinance, zoning regulation, subdivision regulation, historic preservation or landmark regulation, or any other regulation adopted pursuant to Chapter 160D of the General

Statutes or a local act or charter that regulates land use or development. The term shall not include (i) a floodplain or flood damage prevention regulation, (ii) local regulations adopted pursuant to G.S. 143-138(e) or adopted pursuant to the North Carolina State Building Code, (iii) erosion and sedimentation or stormwater control regulations adopted to comply with requirements of federal law, or (iv) any other regulations adopted to comply with requirements of federal law.

SECTION 5.7.(c) This section is effective when it becomes law and expires June 30, 2030.

SCHOOL CALENDAR FLEXIBILITY AND SCHOOL NUTRITION COMPENSATION

SECTION 5.8.(a) Calendar Flexibility. – Notwithstanding G.S. 115C-84.2(a)(1) or any other provision of State law to the contrary, for any instructional days or equivalent hours missed due to inclement weather during the months of December 2024 through February 2025, the governing body of a public school unit may, in their discretion, (i) make up any number of the instructional days or equivalent hours missed, (ii) deem as completed any number of the instructional days or equivalent hours missed up to a total of 10 days, or (iii) implement a combination of both of the above. This section applies only to public school units located in the following counties:

(1) Ashe County.
(2) Avery County.
(3) Buncombe County.
(4) Burke County.
(5) Haywood County.
(6) Henderson County.
(7) Madison County.
(8) McDowell County.
(9) Mitchell County.
(10) Rutherford County.
(11) Transylvania County.
(12) Watauga County.
(13) Yancey County.

SECTION 5.8.(b) Employee Compensation. – All employees and contractors of a public school unit granted school calendar flexibility under subsection (a) of this section shall be deemed to have worked for any scheduled instructional days missed due to inclement weather during the months of December 2024 through February 2025 that a public school unit has deemed completed and is not required to make up. Employees and contractors shall be compensated in the same manner they would have if they had worked on the scheduled instructional days missed.

SECTION 5.8.(c) School Nutrition Compensation. – Notwithstanding any provision of Section 6.1(a)(2) of S.L. 2024-51 to the contrary, of the funds appropriated to the Department of Public Instruction in Section 6.1(a)(2) of S.L. 2024-51, the Department shall provide, from within funds available, compensation to public school unit employees and contractors of schools participating in the National School Lunch Program or School Breakfast Program for scheduled instructional days when compensation would have been provided by school meal receipts or by federal funds either (i) as authorized by this section or (ii) for a scheduled instructional day which was provided remotely pursuant to Section 8.1(b) of S.L. 2024-51. Employees and contractors compensated using funds described in this section shall be compensated in the same manner they would have had they worked on the scheduled instructional days missed or provided remotely.

If the funds described by this section are insufficient to provide compensation authorized by this section to public school unit employees and contractors in schools participating in the National School Lunch Program or School Breakfast Program for scheduled instructional days when compensation would have been provided by school meal receipts or by federal funds, the Department of Public Instruction shall develop a uniform criteria to determine the

comparative economic need of public school units to which this section applies and shall ensure that priority is given to public school units with greatest economic need when awarding available funds.

SECTION 5.8.(d) Reporting Requirement. – No later than May 1, 2025, the Department of Public Instruction shall report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division the following information for each public school unit listed in this section:

(1) The number of instructional days or hours missed due to inclement weather during the months of December 2024 through February 2025.
(2) The number of days deemed complete pursuant to this section.
(3) Any makeup days scheduled for days missed during the months of December 2024 through February 2025.
(4) Any compensation provided to employees and contractors pursuant to subsection (c) of this section.

EXTEND QUALITY IMPROVEMENT PLAN FLEXIBILITY

SECTION 5.9. Section 4B.3 of S.L. 2024-53 reads as rewritten:

"**SECTION 4B.3.(a)** Waiver of Collaborative Practice Agreement Rules. – Notwithstanding any other provision of law to the contrary, neither the North Carolina Medical Board nor the North Carolina Board of Nursing shall enforce any provision of the annual review rules or the quality improvement plan rules for collaborative practice agreements under (i) 21 NCAC 36 .0806, .0810, .0813, (ii) 21 NCAC 32S .0204, .0213, and (iii) 21 NCAC 32M .0110 and .0115 if the physician assistant or nurse practitioner resides in or is employed in the affected area.

"**SECTION 4B.3.(b)** Waiver of Fees. – Notwithstanding any other provision of law to the contrary, neither the North Carolina Medical Board nor the North Carolina Board of Nursing shall enforce any provision of the rules listed in subsection (a) of this section to the extent they require any individual to fill out an application or pay a fee, provided that individual (i) is providing volunteer health care services in the affected area to assist with disaster recovery and relief efforts within the scope of his or her license or (ii) qualifies under subsection (a) of this section.

"**SECTION 4B.3.(c)** Limitation. – Any physician assistant or nurse practitioner holding an approval to practice or a license that has been surrendered or is currently suspended due to disciplinary action does not qualify for the waivers under this section.

"**SECTION 4B.3.(d)** Expiration. – This section expires ~~when~~ one year after the statewide declaration of emergency was issued by the Governor in Executive Order No. ~~315, concurred to by the Council of State and as extended pursuant to S.L. 2024-51 and any other enactment of a general law, expires.~~315."

UTILITY EMERGENCY AUTHORITY

SECTION 5.10. Utilities are responsible for obtaining easements arising from land acquisition for pole and transformer replacement and repair. Notwithstanding the foregoing, in order to allow utilities the necessary time to identify and resolve potential claims by private landowners in the affected area, no claim for inverse condemnation or trespass arising from pole and transformer replacement and repair may be filed during the period the statewide declaration of emergency referenced in Section 3.1 of this act is in effect until one year after that declaration's expiration. The statute of limitations for such claims shall be extended for the same period, and the landowner shall be able to recover prejudgment interest from the date of the pole or transformer replacement or repair to the date of the date of judgment.

EXTEND THE TIME-LIMITED REMOVAL OF BARRIERS TO ALLOW RETIREES OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM AND THE

LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM TO RETURN TO WORK ON A PART-TIME, TEMPORARY, OR INTERIM BASIS

SECTION 5.11. Section 12.1 of S.L. 2024-51 reads as rewritten:

"**SECTION 12.1.(a)** For individuals who retired under the Teachers' and State Employees' Retirement System (TSERS) on or after April 1, 2024, but before ~~October 1, 2024,~~ March 1, 2025, the six-month separation from service from an employer required under G.S. 135-1(20) in order for a retirement to become effective shall not apply and instead a one-month separation shall be required, provided that the position to which the individual returns is needed due to the state of emergency related to Hurricane Helene or associated Hurricane Helene recovery efforts, as certified to the Retirement Systems Division of the Department of State Treasurer by the employing agency.

"**SECTION 12.1.(b)** Upon the expiration of subsection (a) of this section, all of the following shall apply:

(1) The six-month separation from an employer required under G.S. 135-1(20) shall again be applicable to individuals who retired under TSERS on or after April 1, 2024, but before ~~October 1, 2024.~~March 1, 2025.

(2) In order for a member's retirement under TSERS on or after April 1, 2024, but before ~~October 1, 2024,~~ March 1, 2025, to become effective in any month, the member must perform no work for an employer, including part-time, temporary, substitute, or contractor work, at any time between the expiration of subsection (a) of this section and the end of the six months immediately following the effective date of retirement, provided the expiration of the six-month period of separation did not occur while subsection (a) of this section was in effect.

"**SECTION 12.1.(c)** For individuals who retired under TSERS on or after April 1, 2024, but before ~~October 1, 2024,~~ March 1, 2025, any time worked between September 25, 2024, and the time subsection (a) of this section expires shall not be considered work for the purposes of the six-month separation required under G.S. 135-1(20) or for the purposes of G.S. 135-3(d), provided the position held by the individual is needed due to the state of emergency related to Hurricane Helene or associated Hurricane Helene recovery efforts, as certified to the Retirement Systems Division of the Department of State Treasurer by the employing agency.

"**SECTION 12.1.(d)** For individuals who retired prior to ~~October 1, 2024,~~ March 1, 2025, any earnings received between September 25, 2024, and the time that subsection (a) of this section expires shall not be treated as earned by a TSERS beneficiary under the provisions of G.S. 135-3(a)(8)c., provided those earnings are related to a position needed due to the state of emergency related to Hurricane Helene or associated Hurricane Helene recovery efforts, as certified to the Retirement Systems Division of the Department of State Treasurer by the employing agency.

"**SECTION 12.1.(e)** For individuals who retired prior to ~~October 1, 2024,~~ March 1, 2025, any earnings received between September 25, 2024, and the time that subsection (a) of this section expires shall not be treated as earned by a beneficiary of the Local Governmental Employees Retirement System (LGERS) under the provisions of G.S. 128-24(5)c., provided those earnings are related to a position needed due to the state of emergency related to Hurricane Helene or associated Hurricane Helene recovery efforts, as certified to the Retirement Systems Division of the Department of State Treasurer by the employing unit.

"**SECTION 12.1.(f)** Any benefits received by or paid to a law enforcement officer, retired law enforcement officer, sheriff, or retired sheriff under Article 12D or Article 12H of Chapter 143 of the General Statutes shall not be impacted by any work performed between September 25, 2024, and the time that subsection (a) of this section expires, provided that work performed is needed due to the state of emergency related to Hurricane Helene or associated Hurricane Helene recovery efforts, as documented by the employing unit or agency.

"**SECTION 12.1.(g)** Subsection (a) of this section expires when the statewide declaration of emergency issued by the Governor in Executive Order No. 315, concurred to by the Council of State and as extended pursuant to this act and any other enactment of a general law, expires."

DELAY 2024 NORTH CAROLINA STATE BUILDING CODE EFFECTIVE DATE

SECTION 5.12.(a) Definitions. – For purposes of this section, "2024 North Carolina State Building Code" means the North Carolina State Building Code collection and amendments to the Code, as adopted by the Building Code Council, effective July 1, 2025.

SECTION 5.12.(b) Effective Date Delay. – Notwithstanding G.S. 143-138(d), Section 2 of S.L. 2013-118, Section 1F.3.(b) of S.L. 2024-57, or any other provision to the contrary, the 2024 North Carolina State Building Code shall become effective 12 months after the first day of the month following the date the State Fire Marshal certifies, by letter to the Revisor of Statutes with copies sent to the President Pro Tempore of the Senate and the Speaker of the House of Representatives, that both of the following events have occurred:

(1) The Building Code Council and Residential Code Council have completed all of the following publication and distribution requirements:
   a. The initial publication and printing of the adopted 2024 North Carolina State Building Code, including all amendments adopted as of the effective date of this act.
   b. The distribution of copies of the initially published 2024 North Carolina State Building Code to all State and local officials and departments who are required to receive copies of the Code under G.S. 143-138(g) without the necessity of a written request.
   c. The making of copies of the initial publication of the 2024 North Carolina State Building Code available for purchase by members of the general public.

(2) The Residential Code Council is fully constituted in accordance with the membership requirements set forth in G.S. 143-136.1.

SECTION 5.12.(c) Notification Required. – Upon the occurrence of both events specified in subdivisions (1) and (2) of subsection (b) of this section, the State Fire Marshal shall send certification as required under subsection (b) of this section.

SECTION 5.12.(d) No Abrogation. – Nothing in this section abrogates the duties of the Building Code Council or Residential Code Council during the delay created by subsection (b) of this section, including finalizing its publication, providing technical assistance, and educating the public regarding changes to the North Carolina State Building Code.

SECTION 5.12.(e) Expiration. – This section expires 12 months after the first day of the month following the notification required by the State Fire Marshal in subsection (c) of this section.

PART VI. MISCELLANEOUS PROVISIONS

RETROACTIVE APPLICABILITY

SECTION 6.1. Any provision extended under Part III or Section 5.1 of this act shall be retroactively effective on March 1, 2025, unless otherwise prohibited by law.

EFFECT OF HEADINGS

SECTION 6.2. The headings to the parts and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act, except for effective dates referring to a part or section.

SEVERABILITY CLAUSE

SECTION 6.3. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part so declared to be unconstitutional or invalid.

EFFECTIVE DATE

SECTION 6.4. Except as otherwise provided, this act is effective when it becomes law.